



COUNTY OF SAN DIEGO NEWS RELEASE

FOR IMMEDIATE RELEASE

June 1, 2007

SAN DIEGO EARNS THE HIGHEST URBAN COUNTY CREDIT RATING IN STATE *County Officials announce rating upgrade today*

Fitch Ratings issued the County of San Diego an overall credit rating of 'AA+'. San Diego County is the only urban county in California to be issued this overall rating. Fitch Ratings has also upgraded the County to 'AA' from 'AA-' on several long-term debt issues, which include pension obligation bonds and funding for a variety of capital projects.

"The County of San Diego works hard to give the taxpayers the best value for their money, and our upgraded ratings reflect that," according to Donald Steuer, the County's Chief Financial Officer.

The ratings give potential investors a benchmark to measure the County's financial situation, similar to an individual's personal credit rating.

Fitch credited the County of San Diego for maintaining healthy financial operations, noting several areas of strong long-term credit characteristics, including:

- Prudent spending and adherence to sound financial policies marked by consistent operating surpluses
- Disciplined pension system funding
- Positive actions to limit retiree medical care expenses, also referred to as OPEB (other post-employment benefit costs)
- Conservative debt management practices

Fitch Ratings analyzes the County's finances on an annual basis.

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